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IDAHO PUBLIC  
UTILITIES COMMISSION

# ANNUAL REPORT

OF

Bitterroot Water Co. Inc.  
NAME

Po Box 1527 - CoA, Id. 83816  
ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 12-31-01 2001

Bitterroot Water Company, Inc.  
**Balance Sheet**  
 As of December 31, 2001

	Dec 31, '01
<b>ASSETS</b>	
Current Assets	
Checking/Savings	11,947.28
Checking Account	10,553.01
Wells Fargo-Savings	
Total Checking/Savings	22,500.29
Accounts Receivable	
Accounts Receivable	3,414.98
Total Accounts Receivable	3,414.98
Total Current Assets	25,915.27
Fixed Assets	
Equipment	
Copier	316.48
Total Equipment	316.48
Total Fixed Assets	316.48
<b>TOTAL ASSETS</b>	<b>26,231.75</b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Opening Bal Equity	1,800.00
Retained Earnings	14,450.24
Net Income	9,981.51
Total Equity	26,231.75
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>26,231.75</b>

Bitterroot Water Company, Inc.  
**Profit and Loss**  
 January through December 2001

	Jan - Dec '01
<b>Income</b>	
Hook-Up Fees	3,000.00
Interest Earned	198.02
Metered Water Fees-Base	22,792.00
Water Fees-Over Base @.75 perM	6,287.72
<b>Total Income</b>	<u>32,277.74</u>
<b>Cost of Goods Sold</b>	
Labor-Meter Reading	827.00
Materials for Grounds Maint	288.79
Meters, Tools & Materials	232.08
Utility Costs	5,374.32
Water Co-Grounds Maintenance	2,660.01
Water Company Fees	521.44
Water Locate Service	52.80
Water Testing Fees	447.00
Water Treatment Matls	928.00
<b>Total COGS</b>	<u>11,331.44</u>
<b>Gross Profit</b>	20,946.30
<b>Expense</b>	
Bad Debt	20.00
Bank Charges	31.19
Bookkeeping Fees	6,267.50
Business Insurance	1,459.00
County Property Taxes	12.50
Education/Tuition	165.00
Federal Income Tax	154.00
Membership Fees	190.00
Office Supplies	737.27
P.O. Box Fee	65.00
Postage	481.45
Professional/Consulting Fees	350.00
State Income Tax	151.00
Telephone	880.88
<b>Total Expense</b>	<u>10,964.79</u>

02/27/02

Bitterroot Water Company, Inc.  
**Profit and Loss**  
January through December 2001

	<u>Jan - Dec '01</u>
<b>Net Income</b>	<b><u>9,981.51</u></b>

**ANNUAL REPORT FOR WATER UTILITIES TO  
THE IDAHO PUBLIC UTILITIES COMMISSION  
FOR THE YEAR ENDING 2001**

**COMPANY INFORMATION**

- 1 Give full name of utility Bitterroot Water Co., Inc.
  - 2 Date of Organization 6-16-95
  - 3 Organized under the laws of the state of Idaho
  - 4 Address of Principal Office (number & street) 5480 W. Twin Lakes Ave., Rathdrum, Id. 83858
  - 5 P.O. Box (if applicable) Po Box 1527
  - 6 City Coeur d'Alene
  - 7 State Idaho
  - 8 Zip Code 83816-1527
  - 9 Organization (proprietor, partnership, corp.) Corporation
  - 10 Towns, Counties served Athol, Kootenai County
- 
- 11 Are there any affiliated companies? NO

**If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.**

12 Contact Information	Name	Phone No.
President (Owner)	Robert B. Burnett	907-279-9333
Vice President		
Secretary	Dennis Kelly	907-243-8926
General Manager	Debbie Harper	208-687-1743
Complaints or Billing	Debbie Harper	208-687-1743
Engineering	N. Idaho Engineering	208-667-1171
Emergency Service	United Pump Co.	208-772-3230
Accounting	Debbie Harper	208-687-1743

- 13 Were any water systems acquired during the year or any additions/deletions made to the service area during the year? NO
- If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.**

- 14 Where are the Company's books and records kept?
  - Street Address 5480 W. Twin Lakes Avenue
  - City Rathdrum
  - State Idaho
  - Zip 83858

NAME: Bitterroot Water Co. Inc.

**COMPANY INFORMATION (Cont.)**

For the Year Ended 2001

15 Is the system operated or maintained under a service contract?

yes

16 If yes: With whom is the contract?

United Pump Company

When does the contract expire?

N/A

What services and rates are included?

Monthly service @ 75<sup>00</sup> - checks all pumps, electric systems, motors, storage tank - Dechlorinator

17 Is water purchased for resale through the system?

no

18 If yes: Name of Organization

\_\_\_\_\_

Name of owner or operator

\_\_\_\_\_

Mailing Address

\_\_\_\_\_

City

\_\_\_\_\_

State

\_\_\_\_\_

Zip

\_\_\_\_\_

Gallons/CCF

\$Amount

Water Purchased

\_\_\_\_\_

19 Has any system(s) been disapproved by the Idaho Department of Environmental Quality?

no

If yes, attach full explanation

20 Has the Idaho Department of Environmental Quality recommended any improvements?

no

If yes, attach full explanation

21 Number of Complaints received during year concerning:

Quality of Service

0

High Bills

0

Disconnection

0

22 Number of Customers involuntarily disconnected

0

23 Date customers last received a copy of the Summary of Rules required by IDAPA 31.21.01.701?

4-1-2001

Attach a copy of the Summary

24 Did significant additions or retirements from the Plant Accounts occur during the year?

no

If yes, attach full explanation

and an updated system map

NAME: Bitterroot Water Co., Inc.

**REVENUE & EXPENSE DETAIL**

For the Year Ended 2001

ACCT #	DESCRIPTION		
<b>400 REVENUES</b>			
1	460	Unmetered Water Revenue	
2	461.1	Metered Sales - Residential	<u>32,079.72</u>
3	461.2	Metered Sales - Commercial, Industrial	
4	462	Fire Protection Revenue	
5	464	Other Water Sales Revenue	
6	465	Irrigation Sales Revenue	
7	466	Sales for Resale	
8	400	Total Revenue (Add Lines 1 - 7) (also enter result on Page 4, line 1)	<u>32,079.72</u>
9	*	DEQ Fees Billed separately to customers	Booked to Acct # _____
10	**	Hookup or Connection Fees Collected	<u>3,000.00</u> Booked to Acct # _____
11	***	Commission Approved Surcharges Collected	Booked to Acct # _____

**401 OPERATING EXPENSES**

12	601.1-6	Labor - Operation & Maintenance	<u>3,487.01</u>
13	601.7	Labor - Customer Accounts	
14	601.8	Labor - Administrative & General	
15	603	Salaries, Officers & Directors	
16	604	Employee Pensions & Benefits	
17	610	Purchased Water	
18	615-16	Purchased Power & Fuel for Power	<u>5,374.32</u>
19	618	Chemicals	<u>928.00</u>
20	620.1-6	Materials & Supplies - Operation & Maint.	<u>520.87</u>
21	620.7-8	Materials & Supplies - Administrative & General	<u>1,218.72</u>
22	631-34	Contract Services - Professional	<u>6,617.50</u>
23	635	Contract Services - Water Testing	<u>447.00</u>
24	636	Contract Services - Other	
25	641-42	Rentals - Property & Equipment	
26	650	Transportation Expense	
27	656-59	Insurance	<u>1,459.00</u>
28	660	Advertising	
29	666	Rate Case Expense (Amortization)	
30	667	Regulatory Comm. Exp. (Other except taxes)	
31	670	Bad Debt Expense	<u>20.00</u>
32	675	Miscellaneous	<u>1,439.87</u>
33		Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)	<u>21,512.29</u>

Name: Bitterroot Water Co, Inc.

**INCOME STATEMENT**

For Year Ended 2001

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>32079.72</u>
2	Operating Expenses (From Page 3, line 33)	<u>21512.29</u>	
3 403	Depreciation Expense		
4 406	Amortization, Utility Plant Aquisition Adj.		
5 407	Amortization Exp. - Other		
6 408.10	Regulatory Fees (PUC)	<u>106.44</u>	
7 408.11	Property Taxes	<u>12.50</u>	
8 408.12	Payroll Taxes	<u>0</u>	
9A 408.13	Other Taxes (list) DEQ Fees	<u>360.00</u>	
9B			
9C			
9D			
10 409.10	Federal Income Taxes	<u>154.00</u>	
11 409.11	State Income Taxes	<u>151.00</u>	
12 410.10	Provision for Deferred Income Tax - Federal		
13 410.11	Provision for Deferred Income Tax - State		
14 411	Provision for Deferred Utility Income Tax Credits		
15 412	Investment Tax Credits - Utility		
16	Total Expenses from operations before interest (add lines 2-15)	<u>22296.23</u>	
17 413	Income From Utility Plant Leased to Others		
18 414	Gains (Losses) From Disposition of Utility Plant		
19	Net Operating Income (Add lines 1, 17 & 18 less line 16)		<u>9783.49</u>
20 415	Revenues, Merchandizing Jobbing and Contract Work		
21 416	Expenses, Merchandizing, Jobbing & Contracts		
22 419	Interest & Dividend Income	<u>198.02</u>	
23 420	Allowance for Funds used During Construction		
24 421	Miscellaneous Non-Utility Income		
25 426	Miscellaneous Non-Utility Expense		
26 408.20	Other Taxes, Non-Utility Operations		
27 409-20	Income Taxes, Non-Utility Operations		
28	Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27)		<u>198.02</u>
29	Gross Income (add lines 19 & 28)		<u>9981.51</u>
30 427.3	Interest Exp. on Long-Term Debt		
31 427.5	Other Interest Charges		
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)		<u><u>9981.51</u></u>

Name: Bitterroot Water Co Inc.

**ACCOUNT 101 PLANT IN SERVICE DETAIL**  
 For Year Ended 2001

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization				
2 302	Franchises and Consents				
3 303	Land & Land Rights				
4 304	Structures and Improvements				
5 305	Collecting & Impounding Reservoirs				
6 306	Lake, River & Other Intakes				
7 307	Wells				
8 308	Infiltration Galleries & Tunnels				
9 309	Supply Mains				
10 310	Power Generation Equipment				
11 311	Power Pumping Equipment				
12 320	Purification Systems				
13 330	Distribution Reservoirs & Standpipes				
14 331	Trans. & Distrib. Mains & Accessories				
15 333	Services				
16 334	Meters and Meter Installations				
17 335	Hydrants				
18 336	Backflow Prevention Devices				
19 339	Other Plant & Misc. Equipment				
20 340	Office Furniture and Equipment				
21 341	Transportation Equipment				
22 342	Stores Equipment				
23 343	Tools, Shop and Garage Equipment				
24 344	Laboratory Equipment				
25 345	Power Operated Equipment				
26 346	Communications Equipment				
27 347	Miscellaneous Equipment				
28 348	Other Tangible Property				
29	<b>TOTAL PLANT IN SERVICE</b>				

(Add lines 1 - 28)

Enter beginning & end of year totals on Pg 7, Line 1

Name: Bitterroot Water Co Inc.

**ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL**

For Year Ended 2001

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	304 Structures and Improvements				
2	305 Collecting & Impounding Reservoirs				
3	306 Lake, River & Other Intakes				
4	307 Wells				
5	308 Infiltration Galleries & Tunnels				
6	309 Supply Mains				
7	310 Power Generation Equipment				
8	311 Power Pumping Equipment				
9	320 Purification Systems				
10	330 Distribution Reservoirs & Standpipes				
11	331 Trans. & Distrib. Mains & Accessories				
12	333 Services				
13	334 Meters and Meter Installations				
14	335 Hydrants				
15	336 Backflow Prevention Devices				
16	339 Other Plant & Misc. Equipment				
17	340 Office Furniture and Equipment				
18	341 Transportation Equipment				
19	342 Stores Equipment				
20	343 Tools, Shop and Garage Equipment				
21	344 Laboratory Equipment				
22	345 Power Operated Equipment				
23	346 Communications Equipment				
24	347 Miscellaneous Equipment				
25	348 Other Tangible Property				
26	TOTALS (Add Lines 1 - 25)				

Enter beginning & end of year totals on Pg 7, Line 7

Name: Bitterroot Water Co. Inc.

**BALANCE SHEET**

For Year Ended 2001

<u>ASSETS</u>			Balance	Balance	Increase
ACCT #	DESCRIPTION		Beginning of Year	End of Year	or (Decrease)
1	101	Utility Plant in Service (From Pg 5, Line 29)			
2	102	Utility Plant Leased to Others			
3	103	Plant Held for Future Use			
4	105	Construction Work in Progress			
5	114	Utility Plant Aquisition Adjustment			
6		Subtotal (Add Lines 1 - 5)	0	0	0
7	108.1	Accumulated Depreciation (From Pg 6, Line 26)			
8	108.2	Accum. Depr. - Utility Plant Lease to Others			
9	108.3	Accum. Depr. - Property Held for Future Use			
10	110.1	Accum. Amort. - Utility Plant in Service			
11	110.2	Accum. Amort. - Utility Plant Lease to Others			
12	115	Accumulated Amortization - Aquisition Adj.			
13		Net Utility Plant (Line 6 less lines 7 - 12)			
14	123	Investment in Subsidiaries			
15	125	Other Investments			
16		Total Investments (Add lines 14 & 15)	0	0	0
17	131	Cash	13993.55	22500.29	8506.34
18	135	Short Term Investments			
19	141	Accts/Notes Receivable - Customers	2056.29	3414.98	1158.69
20	142	Other Receivables			
21	145	Receivables from Associated Companies			
22	151	Materials & Supplies Inventory			
23	162	Prepaid Expenses			
24	173	Unbilled (Accrued) Utility Revenue			
25	143	Provision for Uncollectable Accounts			
26		Total Current (Add lines 17 -24 less line 25)	16250.24	25915.27	9665.03
27	181	Unamortized Debt Discount & Expense			
28	183	Preliminary Survey & Investigation Charges			
29	184	Deferred Rate Case Expenses			
30	186	Other Deferred Charges			
31		<b>Total Assets (Add lines 13, 16 &amp; 26 - 30)</b>	<u>16250.24</u>	<u>25915.27</u>	<u>9665.03</u>

Name: Bitterroot Water Co. Inc.

**BALANCE SHEET**

For Year Ended 2001

**LIABILITIES & CAPITAL**

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	201-3 Common Stock			
2	204-6 Preferred Stock			
3	207-13 Miscellaneous Capital Accounts			
4	214 Appropriated Retained Earnings	10594.22	14450.24	3856.02
5	215 Unappropriated Retained Earnings			
6	216 Reacquired Capital Stock			
7	218 Proprietary Capital			
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	10594.22	14450.24	3856.02
9	221-2 Bonds			
10	223 Advances from Associated Companies			
11	224 Other Long - Term Debt			
12	231 Accounts Payable			
13	232 Notes Payable			
14	233 Accounts Payable - Associated Companies			
15	235 Customer Deposits (Refundable)			
16	236.11 Accrued Other Taxes Payable			
17	236.12 Accrued Income Taxes Payable			
18	236.2 Accrued Taxes - Non-Utility			
19	237-40 Accrued Debt, Interest & Dividends Payable			
20	241 Misc. Current & Accrued Liabilities			
21	251 Unamortized Debt Premium			
22	252 Advances for Construction			
23	253 Other Deferred Liabilities			
24	255.1 Accumulated Investment Tax Credits - Utility			
25	255.2 Accum. Investment Tax Credits - Non-Utility			
26	261-5 Operating Reserves			
27	271 Contributions in Aid of Construction			
28	272 Accum. Amort. of Contrib. in Aid of Const. **			
29	281-3 Accumulated Deferred Income Taxes			
30	Total Liabilities (Add lines 9 - 29)	0	0	0
31	<b>TOTAL LIAB &amp; CAPITAL ( Add lines 8 &amp; 30)</b>	<b>10594.22</b>	<b>14450.24</b>	<b>3856.02</b>

\*\* Only if Commission Approved

Name: Bitterroot Water Co. Inc.

**STATEMENT OF RETAINED EARNINGS**

For Year Ended 2001

1	Retained Earnings Balance @ Beginning of Year	<u>10594.22</u>
2	Amount Added from Current Year Income (From Pg 4, Line 32)	<u>9981.51</u>
3	Other Credits to Account	<u>(6125.49) <i>with</i></u>
4	Dividends Paid or Appropriated	<u>                    </u>
5	Other Distributions of Retained Earnings	<u>                    </u>
6	Retained Earnings Balance @ End of Year	<u><u>14450.24</u></u>

**CAPITAL STOCK DETAIL**

7	Description (Class, Par Value etc.)	No. Shares Authorized	No. Shares Outstanding	Dividends Paid

**DETAIL OF LONG-TERM DEBT**

8	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued

Name: Bitterroot Water Co Inc.

**SYSTEM ENGINEERING DATA**

For Year Ended 2001

1 Provide an updated system map if significant changes have been made to the system during the year.

2 Water Supply:

Pump Designation or location	Rated Capacity (gpm)	Type of Treatment: (None, Chlorine Fluoride Filter etc.)	Annual Production (000's Gal.)	Water Supply Source (Well, Spring, Surface Wtr)
Corner Brunner & Clagstone Rd	120	Chlorine	19,982,200	Well

3 System Storage:

Storage Designation or Location	Total Capacity 000's Gal.	Usable Capacity 000's Gal.	Type of Reservoir (Elevated, Pressurized, Boosted)	Construction (Wood, Steel Concrete)
Same as above	100,000	90,000	Booster	Concrete

(Duplicate form and attach if necessary. Asterisk facilities added this year.)

Name: Bitterroot Water Co. Inc.

**SYSTEM ENGINEERING DATA**  
(continued)

For Year Ended 2001

4 Pump information for ALL system pumps, including wells and boosters.

Designation or Location & Type of Pump**	Horse Power	Rated Capacity (gpm)	Discharge Pressure (psi)	Energy Used This Year
1- Well - Submersible	20	120	20	87696 Kw
2- Booster Pump #1-	15			}
3- Booster Pump #2	30			
4- Pressure Tanks - 6 Tanks	—		45	

\*\* Submit pump curves unless previously provided or unavailable. Asterisk facilities added this year. Attach additional sheets if inadequate space is available on this page.

5 If Wells are metered:  
 What was the total amount pumped this year? 21,311,800  
 What was the total amount pumped during peak month? 4,460,600  
 What was the total amount pumped on the peak day? N/A

6 If customers are metered, what was the total amount sold in peak month? 4,053,052

7 Was your system designed to supply fire flows?  
 If Yes: What is current system rating? yes  
?

8 How many times were meters read this year? - 8 -  
 During which months? March to October

9 How many additional customers could be served with no system improvements except a service line and meter?  
 How many of those potential additions are vacant lots? 16  
16

10 Are backbone plant additions anticipated during the coming year?  
 If Yes, attach an explanation of projects and anticipated costs! possibly - Still Analyzing

11 In what year do you anticipate that the system capacity (supply, storage or distribution) will have to be expanded?  
2002 or 2003  
- ? -

Name: Bitterroot Water Co, Inc.

**SYSTEM ENGINEERING DATA**  
(continued)

For Year Ended 2001

**FEET OF MAINS**

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	8"	32,000			32,000
	6"	3500			3500

**CUSTOMER STATISTICS**

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential	97	91	21,311,800	17,535,000
2B Commercial	5	1		
2C Industrial				
3 Flat Rate:				
3A Residential				
3B Commercial				
3C Industrial				
4 Private Fire Protection				
5 Public Fire Protection				
6 Street Sprinkling				
7 Municipal, Other				
8 Other Water Utilities				
	<b>TOTALS (Add lines 2 through 8)</b>	97	92	

# CERTIFICATE

State of Idaho )  
 ) ss  
County of \_\_\_\_\_ )

I  
WE, the undersigned Debbie Harper, General Manager  
and \_\_\_\_\_  
of the Bitterroot Water Co. Inc.  
utility, on our oath do severally say that the foregoing report has been prepared under our direction,  
from the original books, papers and records of said utility; that we have carefully examined same, and  
declare the same to be a correct statement of the business and affairs of said utility for the period  
covered by the report in respect to each and every matter and thing therein set forth, to the best of our  
knowledge, information and belief.

\_\_\_\_\_  
(Chief Officer)

Debbie Harper  
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires \_\_\_\_\_

gdk/excel/jnelson/anulrpts/wtrannualrpt